there are consumers who simply choose not to subscribe. The Commission's concern should be whether or not the consumer has choices.

## V. The One-to-a-Market Rule

This proceeding affords the Commission an excellent opportunity to totally repeal its one-to-a-market or radio-television cross ownership rule, Section 73.3555(b) of the Rules. This rule was significantly relaxed in 1989. The time has now come to eliminate the rule completely.

In its <u>Second Report and Order</u> in Amendment of Section 73.3555 of the Commission's Rules, MM Docket No. 87-7, 4 FCC Rcd 1741 (1989) ("<u>Second Report and Order</u>"), the Commission outlined at length the efficiency, programming and other service benefits from permitting radio-television combinations in the same market.

<u>See</u> 4 FCC Rcd at 1746-50. Such benefits included enabling marginal stations to stay on the air, the activation of unused channels, and the improvement of the facilities of existing stations. <u>Id</u>. at 1749-50. However, in that proceeding, the Commission rejected the notion of eliminating the radio-television cross ownership rule entirely, stating:

"A large number of commenters supported the first of these other options, to eliminate the radio-television cross-ownership rule completely in all markets. Although this approach would give broadcasters the most flexibility in station acquisition and taking advantage of joint ownership efficiencies in all size markets, some commenters argued that this option would abandon our traditional method of safeguarding viewpoint diversity and economic competition. In the interest of caution, we have decided not to eliminate the rule, but instead to adopt a new case-by-case waiver policy at this time in order to assess the effects of relaxing the one-to-a-market policy."

Second Report and Order, 4 FCC Rcd at 1750 (footnotes omitted).

The time for "caution" has ended. The Commission has ample evidence of sufficient and increasing viewpoint diversity and economic competition such that it can easily assess the effects of eliminating the one-to-a-market policy. There is no reason to retain restrictions on ownership simply because they are "traditional." Given the ever increasing competition facing both radio and television stations, well documented by the Commission both in this proceeding and in the radio ownership proceeding, it is clear that the economies and efficiencies that can be achieved are desperately needed and that there is no threat to diversity if the rule is repealed.

CCA's principal Thomas R. Galloway, Sr., has actual experience of how joint ownership and operation of radio and television in a market benefits the market. Several years ago, a UHF station in Lafayette, Louisiana, was experiencing severe problems. The station went off the air several times. It was unable to obtain a network affiliation and competed with network affiliates and other stations from both the Lafayette and Baton Rouge markets.

The Lafayette station was purchased by a new owner with limited broadcast experience. He put the station on the air but quickly began having problems and losing money. The future of the station was in jeopardy. The new owner approached Mr. Galloway, a broadcaster with substantial experience in broadcasting, who owned radio stations in the market. Mr. Galloway agreed to acquire a 50% interest in the licensee, which required a waiver of the one-to-a-market rule.

The waiver was granted. As a direct result of Mr. Galloway's involvement, and the fact that he could draw upon and use his radio stations' staff and facilities for the

television station, the television station was stabilized and programming was secured. After the station was operating succesfully, Mr. Galloway sold back his 50% interest to the licensee, who continues to own the station today. That station now has a Fox affiliation.

The Commission's Rules should encourage and facilitate such relationships, not prohibit or limit them. Another example of which CCA is aware is in Mansfield, Ohio, where the licensee of a UHF television station acquired that station after seeking a waiver of Section 73.3555(b) of the Commission's Rules. The UHF station was a "failed" station, having been off the air for three years. The Commission's records reflected that the previous licensee was burdened with a large upfront investment exceeding five million dollars, inability to secure cable carriage in a heavily penetrated market, and fierce competition by larger city stations (from Cleveland and Columbus) whose signals were imported by cable. The previous licensee had vigorously sought buyers, mergers, and new funding; but every initiative failed because of the cable carriage problem and the proximity of Mansfield to the Cleveland and Columbus markets. In the last extension of authority to remain dark, issued March 2, 1992, the Commission's staff noted that "the nonoperational status of the station for such a prolonged period does not serve the public interest."

The staff granted the requested waiver and assigned the license for the Mansfield UHF television station to an entity whose owners had ownership interests in the licensees of an AM, an FM, and a low power TV broadcast station. Today the UHF and the AM station survive only because of the combined operations of the AM,

FM, and TV. The licensees of these affiliated stations are able to operate from one building, using one traffic department, one accounting department, one engineering department, and one news department. These economies of operation have been the key to the financial survival of both the AM and the UHF TV station.

It should be noted that the UHF station is included in the Cleveland, Ohio, DMA, although Mansfield is 70 miles southwest of Cleveland. Mansfield is also four miles north of the Columbus DMA. Both Cleveland and Columbus stations are carried on Mansfield area cable systems, which cross the DMA boundaries, and the Mansfield UHF station must therefore compete with Cleveland and Columbus TV stations. What the Mansfield UHF station can offer is a unique selling situation and unique programming that is not carried on any other station.

The economies of operating the AM, FM, and TV together have permitted the licensee of the UHF to offer a television station that is a news and informational station, with news, weather, sports, and public affairs programming. The station locally produces five to six hours of news programming each day, Monday through Friday (less on weekends), in addition to its other news, sports, weather, and public affairs programming. This programming is not available on any other station and absolutely would not exist in the station's market were it not for the ability of the UHF licensee to share staff and facilities with its affiliated radio stations. The combined news operation also produces news programming for the FM station (which has a music format) and all of the programming for the AM station, which is an all news and sports station.

As the Mansfield experience illustrates, combined operations do lead to economies which do lead to enhanced diversity. In the example above, an AM and a TV station are on the air because of combined ownership and operations. The TV station offers unique programming that provides a distinct public service in its market and would not be possible but for the combined ownership and operations. The Commission should, in light of the demonstrated benefits from such combinations, remove all restrictions and barriers to common ownership of TV and radio.

The radio-television cross ownership rule was first adopted in 1970. It was viewed by the Commission as an extension of its duopoly rule. NPRM, 7 FCC Rcd at 4116. See Multiple Ownership of Standard, FM & TV Broadcast Stations, 22 F.C.C.2d 306, 307 (1970), on reconsideration, 29 F.C.C.2d 662 (1971). At the outset of its discussion in adopting the rule, the Commission noted that its multiple ownership rules have the twofold objective of (1) fostering maximum competition in broadcasting and (2) promoting diversification of programming sources and viewpoints. 22 F.C.C.2d at 307.

With respect to diversity, it is apparent that the Commission's rationale for the need for regulation was premised on the ability of a licensee to exercise control over news and public affairs programming and the idea that there was a scarcity of outlets through which this information could or would be disseminated:

"Application of the principles set forth above dictates that one person should not be licensed to operate more than one broadcast station in the same place, and serving substantially the same public, unless some other relevant public interest consideration is found to outweigh the importance of diversifying control. It is elementary that the number of frequencies available for licensing is limited."

<u>Id</u>. at 311 (emphasis added).

It is apparent from the above passage that, when the Commission adopted the one-to-a-market rule, it believed that the sources of programming competing in a market were and would remain finite and limited because the number of frequencies available were limited. Thus, it seemed appropriate at that time to place limits on the number of outlets one speaker in a community could control. It is also apparent that, when the Commission adopted its one-to-a market rule, the Commission viewed television and radio as each other's only competition in the provision of news and public affairs using the electronic media. The Commission never considered a future with a multiplicity of competing services not limited by the availability of broadcast spectrum.<sup>22</sup>

Twenty-five years later, there has been a tremendous explosion in the growth and development of additional media outlets and sources of programming. As the Commission discovered in its examination of the radio ownership rules, the radio industry has become increasingly diverse and competitive, particularly over the past decade. At the same time, the number of non-radio outlets competing with radio for audiences and advertising revenues has also increased substantially. Popular music is now available over cable, on cable networks such as MTV and VH-1; and the number of 24-hour per day cable radio network entities has more than doubled since 1984. Radio also faces competition in the future from Digital Audio

Also, the Commission during this same period did not believe it likely that there would be more than three major television networks in the near future. See Limitations re: TV Network Programs, 28 F.C.C.2d 169, 193 (1971).

Broadcasting/Broadcast Satellite Sound (DAB)/(BSS), which will offer national channels of CD-quality radio programming by satellite. Also, as the Commission found in the radio proceeding, in response to the intense inter- and intra-industry competition, radio station programming has become increasingly diverse and targeted.

CCA has already discussed <u>supra</u> the ever increasing and diverse services competing with television and radio for advertising and audiences. The Commission's own studies and findings document the growth and diversity of media outlets and the continuing growth of cable, which is not limited by the availability of frequencies. Indeed, with the advances in signal compression techniques and the impending advent of DBS, the public will have a seemingly unlimited and infinite number of programming sources available.<sup>23</sup>

As CCA has demonstrated <u>supra</u>, unlike the industry in 1970, radio and television stations are no longer the only source of news (local, national or international) and public affairs programming. Radio and television stations today face ever-increasing competition for viewers, listeners, and advertisers from cable, wireless cable, satellite, video cassette recorders, and (coming soon) DBS. These competitive sources of programming are diverse and are not limited by either the technical limitations or the artificial ownership restrictions that inhibit broadcasters

See OPP Paper, 6 FCC Rcd at 4033-36. The staff has described video compression technology as "the technological factor that almost certainly will have the biggest impact on the video delivery marketplace over the next ten years." Id. at 4042.

from effectively competing. Thus, there is no reason to limit the number of radio stations a licensee can acquire relative to the number of television stations it can acquire in the same market. For the purposes of the Commission's ownership rules, they should be treated as two distinct services.

# VI. The Commission Should Permit Time Brokerage Agreements

In the <u>NPRM</u>, the Commission noted that time brokerage or local marketing agreements (collectively "LMAs") "enable separately owned stations to function cooperatively via joint advertising, shared technical facilities, and joint programming arrangements." FNPRM at 58-59, ¶ 133. According to the Commission's FNPRM, the comments it received about LMAs in response to its NPRM essentially expressed "two divergent general views": (1) TV LMAs should be basically unregulated absent evidence of abuse, irrespective of whether new television ownership rules are adopted, and (2) if the Commission does adopt rules governing TV LMAs, such rules should be no more restrictive than those governing radio. CCA does not believe these views are divergent. Obviously commenters expressing the second view agreed with Galloway, which expressed the first view above, that LMAs were in the public interest and should be preserved. LMAs should be basically unregulated absent evidence of abuse, irrespective of whether new television ownership rules are adopted. If the Commission, nevertheless, does adopt rules regulating LMAs between television stations, those rules should be no more restrictive than the rules governing radio LMAs.

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CCA also urges the Commission not to attribute LMAs as ownership interests unless the Commission amends the local ownership rule to permit ownership of two television stations in every market. If the Commission does not amend the local ownership rule to permit ownership of two television stations in a market, or if the Commission amends it only to change the prohibited overlap to a Grade A contour, attributing ownership to parties in LMA agreements will essentially kill LMAs; and the public interest benefits the Commission has acknowledged exist from LMAs will no longer be available to most local television broadcasters. If the Commission believes that there are public interest benefits to LMAS, it cannot adopt regulations that will make it impossible for such agreements to exist.

Given the explicit approval of LMAs in the radio ownership proceeding, and the worsening economic conditions facing television, documented by the Commission's <a href="OPP Paper">OPP Paper</a> and by licensees filing comments in this proceeding in 1992, many television broadcasters have entered into LMAs seeking the kinds of efficiencies in operations that have proven so successful in radio LMAs and duopolies. CCA's experience has shown that television LMAs are definitely in the public interest. As demonstrated <a href="Supra">Supra</a>, they have enabled permittees with unbuilt construction permits to place their stations into operation; they have rescued stations from financial crises, resulting in more program choices for viewers; and they have resulted in an increase in news and public service programming.

The Commission has already acknowledged the public service benefits of LMAs. In its Report and Order in Revision of Radio Rules and Policies, 7 FCC Rcd

2755 (1992) ("Radio Report"), the Commission reviewed the comments and replies filed in that proceeding on the merits of LMAs and other joint ventures and concluded that:

"The comments in this proceeding persuade us that the various operational joint venture arrangements described in the <u>Notice</u> generally strengthen radio service that the public receives by providing stations that are not commonly owned with economies similar to those available to commonly owned stations. Such arrangements are generally beneficial to the industry and listening audience because they enable stations to pool resources and reduce operating expenses without necessarily threatening competition or diversity."

7 FCCRcd at 2787. Those same conclusions are true for LMAs between television broadcast stations.

In general, the Commission's observations and conclusions about LMAs and other joint ventures in the <u>Radio Report</u> are correct and valid for television LMAs as well. For example, in declining to limit radio joint ventures to a finite number of stations in large and diverse markets, the Commission stated that such a requirement "would deny the benefits of joint ventures to small markets, where they may be most needed." 7 FCCRcd at 2787.

Another observation the Commission made in the <u>Radio Report</u> that applies with equal validity to television was made in the context of the Commission's consideration of whether or not (the Commission decided not) to adopt a mechanism for prompt termination of LMAs. The Commission observed:

"We have permitted various joint venture arrangements among stations, including joint sales of commercial time, for a number of years and nothing in our experience in that time or in this record suggests that such arrangements have undermined our diversity goals or impaired competition among broadcast stations."

Radio Report, 7 FCC Rcd at 2787 (emphasis added). This statement, and the fact that all of the commenters who addressed the issue of LMAs in response to the NPRM apparently supported the continuation of LMAs, compel the conclusion that the Commission ought to approve the continued use of LMAs and other joint ventures between television stations as in the public interest.

CCA urges the Commission to permit and encourage separately owned and licensed television stations, consistent with the requirements of the antitrust laws, to enter into joint ventures and other cooperative arrangements, including time brokerage, program affiliation, and simulcast agreements, for the reasons discussed above. Same service agreements and cross service agreements should be treated equally. Such joint venture agreements should be permitted regardless of market size or number of stations in a market. All television licensees must comply with antitrust laws and must maintain control over their licensed facilities. Thus, no regulation or prior review of television LMAs and similar agreements is necessary. The Commission's complaint procedures are adequate to monitor whether or not the stations involved are serving the public interest.

Finally, if a licensee enters into such an agreement, in reliance upon and following prior Commission and staff rulings, and properly files and reports the agreement or arrangement, it should not suffer any disadvantage or demerit at renewal time by virtue of having entered into such an arrangement. All existing LMAs should be grandfathered and assignable.

Such a permissive policy on joint ventures would not obviate a need to alter ownership limits, and altering ownership limits does not obviate the need to encourage joint ventures.

## VII. Conclusion

The ownership restrictions placed on television broadcasters were developed under and in response to industry, market, and technological conditions that no longer exist. The existing rules no longer serve the purposes for which they were established and may even thwart those purposes by preventing broadcasters from effectively and efficiently competing against their competitors.

The Commission should let marketplace conditions prevail. Given the volume of diverse viewpoints and the level of competition facing television today and predicted for the future, the public interest standard, marketplace conditions, antitrust laws and other state and local regulations offer sufficient limitations on the ownership and operation of television stations to ensure that the Commission's goals of competition and diversity will be protected and fostered.

Respectfully submitted,

COMMUNICATIONS CORPORATION OF AMERICA

FLETCHER, HEALD & HILDRETH, P.L.C. 1300 N. 17th Street, 11th Floor Rosslyn, Virginia 22209 (703) 812-0400 May 17, 1995

Vincent J. Curtis, Jr. Patricia A. Mahoney

Its Attorneys

**EXHIBIT 1** 

# Interconnects

An interconnect exists where two or more cable systems link themselves together to distribute a commercial advertising schedule simultaneously. Interconnects are becoming increasingly important to cable advertisers because they increase the effectiveness of an advertising schedule by offering the efficiency of developing a multi-system buy, often an entire market, in which only one contract need be negotiated.

Consult your CAB Cable Spot Advertising Directory for more complete market information.

Interconnect/Phone#	Coverage Area S	ubscribers
1. New York Interconnect (212) 889-4670	Greater NY Metro Area	3,900,000
2. AdLink (310) 477-3994	Los Angeles, CA	2,010,000
3. Greater Chicago Cable Interconnect (312) 527-3972	Chicago, IL	1,322,000
4. Greater Boston Cable Advertising (617) 292-7700	Boston, MA	1,282,400
5. Philadelphia Cable Advertising (215) 790-1220	Philadelphia, PA	1,279,500
6. Bay Cable Advertising (510) 732-7320	San Francisco/Oakland/ San Jose, CA	
7. Detroit Cable Interconnect (313) 661-5530	Detroit, MI	899,525
8. Northern Ohio Interconnect (216) 621-2221	Cleveland, OH	855,600
9. Time Warner CityCable Advertising (212) 353-0100	Queens/Staten Island, NY	
10. Tampa Bay Interconnect (813) 281-2662	Tampa, FL	843,000
11. Connecticut Cable Interconnect (203) 548-2020		,
12. Cable AdNet-North Carolina (704) 537-8000	North Carolina/ South Carolina	748,600
13. Cable Networks, Inc. (310) 828-1142	Los Angeles, CA	744,000
14. Metrobase Cable Advertising (215) 640-1340	Philadelphia, PA	702,700
15. Northwest Cable Advertising (206) 286-1818	Seattle, WA	681,000
16. Cable Advertising of Metro Atlanta (404) 923-CAMA	Atlanta, GA Indiana	611,174 600,000
17. Sunrise Media Advertising (317) 849-4415 18. Connecticut Cable Corp.	Connecticut	593,000
(203) 661-6015 19. Cablevision Systems Long Island		589,000
(516) 364-3640 20. Cable Ad Group of S. Florida	Miami/Ft. Lauderdale/	580,000
(305) 467-1604	Palm Beach, FL Pittsburgh, PA	545.000
21. Cable AdNet-Pittsburgh (412) 276-7200 22. MEGA Advertising, Inc.	Fairfax/Arlington Cntys	•
(703) 506-9292 23. Cable AdNet-Philadelphia	VA, Montgomery Cnty, N Philadelphia, PA	
(215) 344-9000 24. Chicago Cable Advertising	Chicago, IL	475,000
(708) 699-9494 25. Cable AdNet-Dallas/Ft. Worth	Dallas/Ft. Worth, TX	414,390
(214) 637-7744		,

Interconnect/Phone#	0	
more connect holics	Coverage Area 8	ubscribers
26. Greater Phoenix Interconnect (602) 995-2711	Phoenix, AZ	400,000
27. Cablevision of Central Florida (407) 290-1030	Orlando, FL	380,800
28. Interconnect of the Twin Cities	Minneapolis/St. Paul, M	N 376,000
(612) 931-0383 29. Cable Media (Adelphia)	Buffalo/Niagara Falls, N	7 354,700
(716) 827-1113 30. TCI Cable Advertising/Cable AdNe	t Southern California/	354,000
(909) 466-4545 31. Nashville Cable Interconnect	Los Angeles Area	
(615) 244-8615	Nashville, TN	352,230
32. TCI Cable Advertising (303) 765-7077	Denver, CO	349,000
33. Cable ADCOM (717) 533-5544	Harrisburg/Lancaster/	339,000
34. Tri-State Interconnect	Lebanon/York, PA So. Indiana/W. Kentucky	/ 333.400
(812) 858-0380 35. Tidewater Cable Interconnect	So. Illinois Norfolk/Portsmouth/	
(804) 456-2500	Virginia Beach/Hampton/	319,800
36. North Coast Cable Marketing	Newport News, VA Marin/Sonoma/Napa/	300,000
(707) 794-7277 36. Cable Advertising Network of	Solano Counties, CA	
(314) 984-8900	St. Louis, MO Greater St. Louis	300,000
38. Indiana Cable Advertising (812) 336-0601	Bloomington/Evansville/	295,031
39. Cable AdNet-North Carolina	Dayton/S. Bend/Elkhart Raleigh-Durham/	287,000
(919) 834-9488 40. Cable AdNet of Puerto Rico	Fayetteville, NC Puerto Rico	
(809) 273-1022	- dono meo	265,000
41. TCI of South Florida (305) 654-6745	Miami, FL	250,000
41. West Texas Interconnect	Amarillo/Midland-Odessa/	250,000
(806) 797-7793	San Angelo/Abilene/ Lubbock	
43. Colony Interconnects (401) 823-1900	Providence/	248,900
44. Cable AdNet-North Carolina	New Bedford, MA Greensboro/High Point/	247,100
(919) 668-3800 45. RASCO-Cablevision	Winston-Salem, NC Boston, MA	
(617) 861-6850		244,100
46. New Orleans Interconnect (504) 733-5812	Jefferson/Orleans Parish, LA	237,786
47. Cable AdNet-North Carolina (704) 537-8000	Charlotte, NC	237,000
48. Oceanic Cablevision (808) 625-8335	Honolulu, HI	230,000
49. Continental Cablevision Advertising (708) 530-4477	W. Chicago Suburbs, IL	229,520
50. Target Select Cable Advertising (215) 398-3800	Allentown/Stroudsburg/ Pocono/Palmerton/	229,000
51. State of Maine Cable TV Interconnect	Lehighton, PA	
(207) 775-4110	Maine	223,300
52. Jacksonville Interconnect (904) 730-7020	Jacksonville, FL	222,000
53. Pioneer Valley Interconnect (413) 734-3162	Franklin/Hampshire/ Hampden Counties, MA; Tolland/Hartford Crities, CT	219,000
54. Michigan Cable Advertising (616) 235-3765	Petosky/ Charlevoix/ Gaylord/Makinaw City/ Cheboygan/St. Ingnace/ Grand Rapids/Muskeegan/	211,700
	Battle Creek/Lenawee Cnty, MI	].

Interconnect/Phone#	Coverage Area	Subscribers
55. Greater Dayton Cable Advertising (513) 890-0965	Dayton,OH	211,183
56. Mountain Cable Advertising (801) 488-5658	Salt Lake City, UT	210,000
57. TKR of Greater Louisville (502) 584-8394	Louisville, KY	209,500
58. Indianapolis Interconnect (317) 841-3696	Indianapolis, IN	208,000
59. Milwaukee Cable Advertising (414) 277-4200	Milwaukee, Wi	190,344
60. Oklahoma Cable Interconnect (405) 556-6290	Oklahoma City, OK	190,000
61. Time Warner Cable Northeast Ohio		178,000
(216) 633-1874 62. TCI Cable Advertising	Youngstown, OH Olympia, WA	174,196
63. Storer Cable/SW Florida (813) 371-4444	Sarasota, FL	171,000
64. KBL-TV	Portland, OR	170,000
(503) 295-0123 65. Southwest Florida Interconnect (813) 947-2022	Naples/Ft. Myers, FL	165,000
(613) 547-2022 66. Primetime Cable Ads (219) 738-9088	Northwest Indiana/	162,000
67. lowa Cable Network	N. Chicago, IL Iowa	156,000
(515) 266-2979 68. Sunrise Cable Advertising (317) 849-4415	Indianapolis, IN	155,035
69. Hudson Valley Cable Group (914) 695-1111	Middletown/Poughkeepsie/ Kingston, NY	152,000
70. TeleCable Targeting/Jones Intercable (913) 491-4902	Greater Kansas City	151,000
71. Scripps-Howard Cable Network	Chattanooga,TN	150,500
Advertising (615) 855-8668	•	
72. Champaign-Springfield -Decatur Interconnect	Champaign/Springfield/ Decatur, IL	144,300
(217) 384-2539 (3. Capital District Cable Advertising	Albany, NY	142,000
(518) 869-9587 '4. Syracuse Interconnect	Syracuse, NY	135,000
(315) 699-8267 75. Satellite Ad Network	Wilkes Barre/Scranton,P/	134,007
(717) 459-2307 76. TeleCable Targeting	Greenville/Spartanburg/	131,600
(803) 877-1002 77. The Cable Advantage Interconnect	Laurens County, SC Birmingham/Huntsville,AL	128,500
(205) 926-5999 78. Comcast Cable	West Palm Beach, FL	125,000
(407) 687-2313 79. Columbia Cable	Portland, OR	120,000
(206) 254-0771 79. Mercer County Interconnect	Trenton, NJ	120,000
(609) 394-8587 81. TCI Cable Advertising	Billings/Helena/	118,025
(406) 443-4909	Great Falls/Missoula/ Butte/Bozeman, MT	-,
82. West Chesapeake Interconnect (301) 645-2045	Alexandria VA/Anne Arundel, Charles & Calvert	114,000 t
(	Cntys, MD Dallas, TX	113,000
83. TeleCable Targeting		
83. TeleCable Targeting (214) 905-9988 84. Cable AdNet (702) 348-2772	Reno, NV	112,000

Interconnect/Phone#	Coverage Area	Subscribers
86. Cable AdNet-New England (802) 879-5377	Vermont/N. Adams, M/ Lebanon, NH/Lk. Placid,	V 110,050
87. Greater Media Cable (508) 853-1515	Worcester/ Shrewsbury, MA	110,000
87. TCI Cablevision of Missouri (314) 441-9724	St. Louis, MO	110,000
89. Metrobase Cable Advertising (412) 767-3500	Pittsburgh, PA	107,700
90. Vision Cable Advertising (704) 455-5601	Charlotte/Kannapolis/ Salisbury/Albemarle, No	107,335
91. Love Communications Co. (601) 939-0420	Jackson, MS	104,500
92. Indiana Cable Advertising (317) 642-3612	Indianapolis DMA	104,000
93. Cable Rep Advertising (402) 551-6790	Omaha, NE	103,000
94. New Hampshire Interconnect (603) 433-2166	New Hampshire	102,367
95. Quad Cities/Cedar Rapids	Moline, IL-Davenport/	102,000
Interconnect (309) 797-2907	Cedar Rapids, IA	
96. North Carolina Coastal Interconnect	Wilmington/Jacksonville Camp LeJeune/	/ 101,875
(910) 762-3400 97. Cable Ads	Morehead City, NC Green Bay/Appleton/	07 774
(414) 749-1090 98. Colony Cablevision of California	Oshkosh/Marinette, WI Palm Springs, CA	97,771
(619) 340-1312 99. Metrobase Cable Advertising		97,000
(518) 798-6684	Glens Falls/Johnstown Saratoga Springs/ Rensselaer,NY	95,500
100. Woodlands Communications Network (713) 363-0973	Houston/Tyler, TX	94,500
101. Acadiana Cable Interconnect (318) 237-5323	Lafayette, LA	94,016
102. Total Reach Interconnect (800) 741-3781	Orlando, FL	92,500
103. Time Warner Cable Ad Sales (805) 322-9594	Bakersfield, CA	91,100
104. Waco/Temple/Killeen Interconnect (817) 776-8660	Waco/Temple, TX	91,000
105. Cable Time (210) 581-0274	Harlingen/Brownsville/ McAllen, TX	90,000
106. Cable Media Advertising (410) 461-2414	Glen Burnie/Ellicott City	88,479
107. Cable Advantage (615) 246-9578	Bristol/Kingsport/	87,582
108. Sammons Cable Advertising (317) 631-2288	Johnson City, TN Cincinnati, OH/	87,000
109. Knoxville Interconnect	Louisville, KY/Ft. Wayne/ Indianapolis/Lafayette, IN Knoxville, TN	85,000
(615) 971-1544 110. Adelphia Cable	·	
(703) 433-2002	Staunton/Waynesboro/ Winchester/Charlottesville Martinsville, VA	83,153
111. TCI Cablevision of Texas (512) 857-5086	Corpus Christi, TX	78,800
112. Colony Interconnects (508) 452-4044	Lowell, MA	78,000
113. MultiVison Cable Advertising (301) 306-5700	Lanham, MD/	75,246
114. Mid-Florida Interconnect (904) 376-1893	Leesburg, VA Gainesville/Ocala, FL	75,000
114. East Carolina Cable Adv. (919) 443-4019	Rocky Mount/Greenville/ Washington/New Bern/ Kinston, NC	75,000

	t-t	Coverane Area Sub-	scribers
	Interconnect/Phone#		75.000
	114. Greater Birmingham Interconnect (205) 599-5655	Birmingham, AL  Monterey, CA	75,000
	114. MPI-TV (408) 372-7100	•	
	118. Colony Interconnects (508) 993-2600	Fall River/New Bedford/ Fairhaven/Acushnet,MA	72,000
	119 Myrtle Beach Interconnect (803) 448-9984	Myrtle Beach, SC	71,000
	120. Cable Advertising Networks (614) 895-8512	Dallas-Ft. Worth, TX	70,700
	121. Fargo Interconnect (701) 280-0521	Fargo, ND	70,550
	122. Copley/Colony Interconnect (714) 549-8999	Orange County/ Los Angeles County, CA	70,000
	123. Mid-Georgia Interconnect (912) 741-3846	Macon, GA	68,000
	124. TCI Cable Advertising of Cape Cod (508) 394-2246	Cape Cod/Nantucket, MA	67,900
l	125. TeleCable Tageting (404) 596-1004	Columbus, GA	67,400
	126. TCI Cablevision of Florida (904) 756-6700	Daytona Bch./Titusville, FL	65,000
	126. TCI Santa Cruz County Interconnect (408) 439-5099	Santa Cruz County, CA	65,000
	128. Metrobase Cable Advertising (315) 797-0037	Utica, NY	64,400
	129. Northwest Cable Advertising (206) 286-1818	Alaska	62,000
	129. Roanoke-Salem Interconnect (703) 981-0820	Roanoke, VA	62,000
	129. TCI Cable Advertising-S. OR (503) 779-1814	Medford/Klamath Falls, OR	62,000
ļ	132. Northeastern Minnesota Interconnec		61,500
	(218) 726-1412 133. TCI Cable Advertising	Biloxi, MS	59,000
	(601) 435-2116 134. AdWorks	Chico-Redding, CA	56,000
	(916) 345-8718 135. Advertising Alternatives, Inc.	Knoxville, TN	55,500
	(615) 481-0158 136. Metrobase Cable Advertising	Watertown, NY	54,000
	(315) 782-7224 137. TCI Mid-Missouri Interconnect	Columbia/	53,800
	(314) 874-0422	Jefferson City, MO Ft. Wayne/Terre Haute, II	N 52,953
	138. Sunrise Cable Advertising (317) 849-4415	-	52,860
	139. Piedmont Interconnect (803) 665-8849	Sumter/Florence, SC	51,000
	140. TCI Cablevision of E. Texas (903) 595-3822	Tyler Area, TX	
	141. Crown Cable Advertising (205) 664-4880	Birmingham, AL	49,400
	142. Scripps-Howard Cable Adv. (706) 291-7288	Rome/Calhoun/ Dallas/Cedartown, GA	48,900
	143. Frederick Cablevision Advertising (301) 663-5672		48,619
	144. Cableworks (707) 448-8480	Solano County, CA	48,500
	145. Eastern Cable Advertising (304) 727-7903	Charleston/ Huntington, WV	48,000
	146. Hawaiian Cablevision (808) 661-2010	Maui/Hawaii, HI	46,446
	147. Star Cablevision (800) 933-6335	Fond du Lac/West Bend Sheboygan, WI	
	148. Cable AdNet-Mid-Hudson (914) 569-9080	Dutchess/Ulster/ Greene Counties, NY	44,750

Interconnect/Phone#	Coverage Area Su	bscribers
149. Metrobase Cable Advertising (607) 749-7721	Syracuse, NY	40,000
150. Elmira-Corning Interconnect (607) 739-3519	Elmira/Corning, NY	38,000
151. ADvision	Charleston, WV	37,500
(304) 345-8510 152. Cable Advertising Sales (615) 859-4357	Huntsville, AL	37,000
153. TCI Cable Advertising of MN (612) 252-2253	Minneapolis/St. Paul	37,700
154. Ad Link Ltd. (704) 254-3333	Translyvania/Buncombe/ Haywood/Macon/	35,800
155. State Cable TV Corp. (207) 622-3030	Rutherford Counties, NC Augusta, ME	35,200
156. Chattanooga Regional Interconnect (615) 899-6942	Chattanooga, TN	34,700
157. Comcast Cablevision (203) 792-1171	Danbury, CT	34,000
158. Love Communications Co. (601) 264-9900 159. J.B. CableAds	Hattiesburg-Laurel, MS	33,000
(318) 989-9988	Terrebone Parish, LA	32,091
160. Genesis Cable Advertising (612) 251-7169	Minneapolis/St. Paul, MN	32,000
161. Azevedo Video Services (209) 577-0743	Sacramento/Stockton/ Modesto, CA	31,000
162. Cable Advertising Sales (615) 859-4357	Myrtie Beach, SC	29,200
163. Cable Advertising Sales (615) 859-4537	Nashville, TN	28,500
163. Cable Advertising Sales (615) 859-4357	Greenwood County, SC/ Aiken County, GA	28,500
165. Metrobase Cable Advertising (412) B25-4600 166. Cable Time	Erie, PA	26,900
(903) 234-8606 167. TeleCable Targeting	Longview/Kilgore, TX  Radcliff/Elizabethtown, KY	24,640
(502) 351-8899 168. Sunrise Cable Advertising	New Albany/ N. Vernon/	23,950
(317) 849-4415 169. TCI Cablevision	Seymour, IN Dublin/Milledgeville/	23,800
(912) 275-7455 170. Kauai Cablevision	Sandersville, GA Kauai Cablevision	22,446
(808) 245-7720		دد,44U 
171. Scenic Cable Network, Inc. (205) 793-2722	Dothan, AL	22,300
172. Cable Advertising Networks (614) 895-8512	Roanoke-Lynchburg, VA	22,000
173. Wehco ÀD-CÓM (501) 536-7203	Memphis, TN	21,900
174. TCI Cable Advertising of Montana (406) 443-4909	Great Falls, MT	21,200
175. Casper-Riverton Interconnect (307) 266-0034	Casper/Riverton, WY	20,500
176 Cable Advertising Networks (614) 895-8512	Albuquerque-Santa Fe, NA	ŕ
177. TCI Cablevision of Texas (210) 629-9150	New Braunfels/Seguin, TX	
178. Wehco AD-COM (501) 536-7203	Mt. Home/Harrison, AR	16,014
179. Metrobase Cable Advertising (315) 797-0037	Binghamton, NY	13,500
180. Rock Springs/Green River	Rock Springs/ Green River, WY	13,100

**EXHIBIT 2** 

### DIRECTY CHANNELS 100 DTV - Direct Ticket Previews 101-199 DTV --- Direct Ticket Movies/Events 200 DTV - Direct Ticket Previews 201 DTV --- Directy Special Events Calendar 202 CNN - Cable Network News 203 CRT — Court TV 204 HLN - Headline News 206 FSPN - ESPN 207 ESNa — ESPN (alternate) 208 ESN2 - ESPN2 212 TNT — Turner Network Television 214 DTV --- Direct Ticket Previews 215 E! — E! Entertainment Television 216 MUCH - MUCHMUSIC 920 TCM — Turner Classic Movies 222 DIS1 — The Disney Channel (E) 224 DIS2 - The Disney Channel (W) 925 DISC — The Discovery Channel (E) 226 TLC - The Learning Channel 927 TOON -- Cartoon Network 929 USA -- USA Network (E) TRIO - TRIO 232 FAM — The family Channel (E) 233 TBS -- TBS superstation 235 TNN — The Nashville Network 236 CMT — Country Music Television 940 SCFI -- Sci-Fi Television 242 CSP1 -- C-Span 1 (House) 3 243 CSP2 — C-Span 2 (Senete) BiT — Bloomberg Information Television 246 CNBC - CNBC 247 AT — America's Talking 248 TWC --- The Weather Channel 250 NWI — Newsworld International 959 CNNI -- CNN International 254 YRAV - The Travel Channel 256 A&E --- Arts & Entertainment 268 DTV - Direct Ticket Previews 270 STRZ - STARZI - Encore 8 271 ENCR — Encore 1 "Hits" 272 LOYE --- Encore 2 "Love Stories" 273 WSTN — Encore 3 "Westerns" 274 MYST — Encore 4 "Mystery" 275 ACTN --- Encore 5 "Action" 276 TRUE - Encore 6 "True Stories/Drama" 277 WAM! - Encore 7 "WAM" America's Youth Net. 282 CBS - CBS, WRAL - Raleigh, N.C. 284 NBC - NBC, WXIA - Atlanta, Ga. 286 PBS -- PBS, KRMA - Deriver, Colo. 287 ABC --- ABC, WABC - New York, N.Y. 289 FOX - FOX, WFLD - Chicago, Ni. 298 TVA -- TV Asia 301 DTV - DirecTv Special Events Calendar 304 GOLF - The Golf Channel 305 P5N - Prime Sports Network 306 PSN — Prime Sports Network

307 NESN - New England Sports

Network

310 KBL -- KBL, Pittsburgh Sports Net.

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311 HTS - Home Team Sports
312 SPSN - SportsSouth
314 SUN - Sunshine Network
316 PASS --- Pro Am Sports Network
322 HSE -- Home Sports Entertainment
323 PRTN - Prime Sports Rocky Mtn.
325 PRTK --- Prime Ticket
329 SPRT — Regional Sports Alternate
330-334 ESPN --- ESPN/ABC College
                Football
235-349 DTV - NFL Sunday Ticket
350 DTV - NBA League Pass Schedule
351-364 NBA --- NBA League Pass Games
365 NHL - NHL Center ice Schedule
366-375 NHL -- NHL Center Ice Games
401 ADLT - Adult Pay Per View
            (10:30p - 7:30a ET)
402 PBTV - Playboy TV
USSB CHANNELS
963 ANC - All News Channel
965 VH1 - Video Hits One
967 LIFE — Lifetime
968 NICK - Nickelodeon/Nick at Nite
970 FLIX -- FIX
973 MAX - Cinemax
974 MAX2 — Cinemax 2
975 MAXW --- Cinemax West
    TMC - The Movie Channel
    TMCW — The Movie Channel West
978
980 HBO -- Home Box Office
981 HBO2 — HBO Ω
982 HBO3 — HBO 3
983 HBOW — HBO West
984 HBDW --- HBO 2 West
985 5HO - Showtime
986 SHO2 -- Showtime 2
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# DIRECTY MUSIC CHANNELS 501 MC1 — Music Choice.

987 SHOW - Showtime West

989 MTV --- Music Television

990

990 COM — Comedy Central

USSB --- USSB Background,

1-800- 204-USSB

501 MC1 — Music Choice, "Hit List"
502 MC2 — Music Choice, "Dance"
503 MC3 — Music Choice, "Lip Hop"
504 MC4 — Music Choice, "Urban Beat"
505 MC5 — Music Choice, "Resgae"
506 MC6 — Music Choice, "Blues"
507 MC7 — Music Choice, "Jazz"
508 MC8 — Music Choice, "Jazz Plus"
509 MC9 — Music Choice, "Jazz Plus"
510 MC10 — Music Choice, "New Age"
511 MC11 — Music Choice, "Eclectic

Rock"
512 MC12 — Music Choice, "Modern Rock"
513 MC13 — Music Choice, "Classic

Rock"
514 MC14 --- Music Choice, "Rock Plus"
515 MC15 --- Music Choice, "Metal"

516 MC16 -- Music Choice, "Solid Gold Oldies"

517 MC17 - Music Choice, "Soft Rock"

518 MC18 — Music Choice, "Love Songs" 519 MC19 — Music Choice, "Progressive Country"

520 MC20 - Music Choice,

"Contemporary Country"
521 MC21 — Music Choice, "Country
Gold"

522 MC22 — Music Choice, "Singers and Standards"

523 MC93 — Music Choice, "Easy Listening"

524 MC24 — Music Choice, "Classical Favorites"

525 MC25 — Music Choice, "Classics in Concert"

526 MC26 — Music Choice,
"Contemporary Christian"

527 MC27 - Music Choice, "Gospet"

598 MC98 — Music Choice, "For Kids Only"

#### SUBSCRIPTION INFORMATION

Note: For more details about DirecTv, NRTC and USSB program offerings, see "Channel Choice" centerspread in this issue.

#### DIRECTY

Directly offers a number of channels in its "Total Choice" subscription peckage, as well as 50 channels of pay-per-view movies and special events in its Direct Ticket service. It also offers Direct Ticket Sports peckages of college and pro sports games, including NFL Sunday Ticket and NBA League Pass. Additionally, it offers a number of channels on an a la carte basis to subscribers who have purchased a "Total Choice," "Direct Choice" or "Direct Limited" package. For more information or to order programming, contact your local retailer or call Directly at 1-800-DRECTV.

### NRTC

National Rurel Telecommunications Cooperative (NRTC) customers should contact their participating local rural electric or telephone cooperative regarding the availability of Directiv or USSB programming. NRTC customers who wish to subscribe to Directiv programming should call 1-800-305-4386.

### USSB

United States Setellite Broadcasting (USSB) offers a variety of program pockages priced flexibly by the month or year. USSB offers one free month of 'USSB Entertainment Plus" to all purchasers of the RCA Digital Setellite System. For more information or to order programming, contact your local retailer or call USSB at 1-200-204-USSB.

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